

Michigan House Health Care Reform Package



House Bills 4934-4943

Key Points:

- β Access
- β Affordability
- β Accountability

Access

- β Guarantee issue - all carriers, all products
- β Ends gender discrimination
- β No health underwriting
- β Expansion of MI Child
- β Health Care Affordability Fund
- β Six month pre-existing condition

Affordability

- β Creation of MICAPP
- β Health Care Affordability Fund
- β Basic, Basic Enhanced Plan
- β Loss ratio of 80% for HMOs and BCBS, 70% for commercial carriers
- β Direct Medigap subsidies toward lower income seniors

Accountability

- β No health underwriting
- β Prohibits jacking up rates upon renewal
- β Ends the practice of "cherry picking"
- β Ends the practice of closing blocks of business
- β True up of loss ratios at the end of every year
- β Insurance Commissioner and AG oversight modeled after Energy Legislation with objective standards that will accomplish some leveling and bring predictability to the marketplace

HB 4934 – Insurance Code (Corriveau)

- β Reforms the individual market in a number of ways
 - Guarantee Issue
 - Prohibits insurers from raising rates on the sick
 - Creates the Health Care Affordability Fund
 - Creates the Michigan Catastrophic Protection Plan (MICAPP)
 - Basic, Basic Enhanced health plans
 - Health and Wellness Initiatives
 - Consumer protections
 - Insurance Commissioner oversight of loss ratios

HB 4935 - P.A. 350 (Coulouris)

- β Amends the nonprofit health care corporation reform act (P.A. 350) to make nonprofit health care corporations subject to Chapter 37A
- β Reforms the rate filing process for nonprofit health care corporation mirroring the Energy Plan
- β Changes to the way the Medigap subsidy is implemented to help most vulnerable seniors

HB 4936 - Insurance Code: Small group Reform (Melton)

- β Reforms the small group market in a number of ways:
 - Guarantee Issue
 - Prohibits insurers from raising rates on the sick
 - Addresses closing blocks of business
 - Ends experience rating and drastic increases of health care cost at contract renewal for small businesses

Health Care Cost Reducing Bills (HB 4937 - 4943)

- β HB 4937 (Segal) - Electronic Prescribing
 - Amends the Public Health Code to require an individual licensed to write prescription to electronically transmit every prescription for a prescription drug.
- β HB 4938 (Schmidt) - Bulk Prescription Drug Purchasing
 - Creates the MI Prescription Cooperative and Gold Benefit Plan, a drug program for the uninsured/underinsured.
- β 4939 (Womack) - Health Assessment Website
 - Requires the Department of Community Health to create a health assessment website to promote healthy behaviors.

Health Care Cost Reducing Bills (HB 4937 - 4943)

- β HB 4940 (Slavens) - Prohibit the Reuse of Certain Medical Equipment and Supplies
 - Amends the Public Health Code to prohibit a health care provider from reusing a single use product on a patient.
- β HB 4941 (Mayes) - Sentencing Guidelines for the crime of Reusing a Single use Medical Product
 - Amends Code of Criminal Procedure to consider the crime a Class D felony violation of Public Safety
 - 10 years imprisonment, up to \$50,000 fine, or both.

Health Care Cost Reducing Bills (HB 4937 - 4943)

- β HB 4942 (Ball) - Statewide Advance Health Care Directive Registry
 - Require the Secretary of State to create a statewide advance health care directive registry
- β HB 4943 (Marleau) - Require the disclosure of educational information regarding the Statewide Advance Health Care Directive Registry
 - Require that information regarding the advance health care directive registry be given to an adult when enrolling in Medicaid.
